THE WASHINGTON POST

FBI Says Counsel Will Not Probe Director

Sessions Still Faces Internal Inquiry Into Misconduct Allegations

By Stephen Barr
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The Justice Department will not seek the appointment of an independent counsel to investigate allegations of improper conduct by FBI Director William S. Sessions, the FBI said in a statement yesterday.

A source close to Sessions said the decision by Attorney General William P. Barr means that no criminal charges will be brought against Sessions. The FBI director, however, still faces an ongoing administrative inquiry by the department that could result in sanctions, the source said.

The investigation, which began about two months ago, has focused on whether Sessions tried to evade paying D.C. taxes and whether Sessions and a top aide used government telephones for personal long-distance calls. The Justice Department's internal inquiry concerns allegations that Sessions improperly used FBI cars or airplanes for personal use.

The FBI statement issued yesterday said, "On November 12, the attorney general notified the court that the Department of Justice will not seek the appointment of an independent counsel for matters under review by the Public Integrity Section of the Department of Justice that concern the director. The director cooperated with the inquiry and is pleased to have this matter behind him."

Neither Barr nor any Justice Department spokesman offered any comment beyond the statement. Sessions referred questions to his attorney, who declined to comment.

The Sessions controversy has been especially sensitive for the Justice Department, coming at a time of nasty finger-pointing between the CIA and the department over who was responsible for incomplete and misleading reports concerning a criminal inquiry into the Atlanta branch of the Italian-owned Banca Nazionale del Lavoro (BNL). The bank branch gave Iraq more than $4 billion in loans and loan guarantees for weapons and food prior to Saddam Hussein's invasion of Kuwait in 1990.

A federal judge handling the BNL affair has said he would look into whether the Sessions inquiry was leaked to the news media to divert attention from the BNL scandal.

The FBI director is midway through a 10-year term, a tenure enacted as a way to prevent the intrusion of partisan politics into the bureau. On Election Day, Sessions told his employees that he wants to stay on through the end of his term in 1997.

The criminal investigation began as an administrative review of possible ethics violations by Sessions and his executive assistant, Sarah Munford.

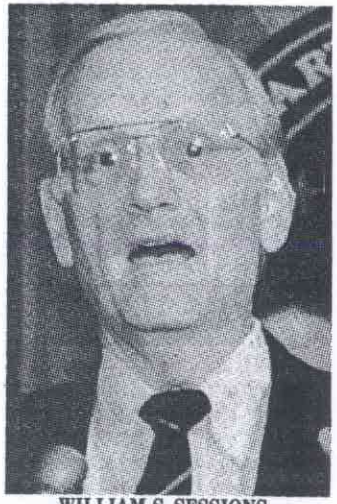
Munford was placed on administrative leave last month after an internal Justice Department review found that she used FBI telephone lines to make personal long-distance calls, lied about her car registration and tried to use her FBI credentials to avoid a traffic ticket for her son. Neither Munford nor her attorney could be reached for comment last night.

Sessions was accused of making a false statement in applying for an exemption from District taxes. Under the D.C. Code, presidential appointees can avoid paying city income taxes if they can show they have a permanent residence elsewhere to which they intend to return.

Sessions cited his membership in a San Antonio country club as proof of his plans, apparently without realizing the membership had lapsed.

Sessions also was accused of using government phone lines for personal calls. The FBI director and Munford shared the same phone lines and may have placed calls to the same number. Investigators have been working to sort out their phone records. Another line of the Sessions inquiry began last June after questions were raised about whether the FBI director and his wife, Alice, used government cars and FBI agents to run personal errands, and whether Sessions arranged out-of-town speeches so the couple could fly at government expense to holiday destinations, according to sources.

The Justice Department's Office of Professional Responsibility is still reviewing the allegations, sources said yesterday.



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